

**Exhibit C**

**Asset Purchase Agreement**

## ASSET PURCHASE AGREEMENT

**THIS AGREEMENT**, made and entered into on this 31<sup>st</sup> day of March, 2021, by and between **SYNERGY UTILITIES, LP**, a South Carolina limited partnership (“**Seller**”), Keith Parnell, a natural person residing in South Carolina (“**Mr. Parnell**”) and **SOUTH CAROLINA WATER UTILITIES, INC.**, a South Carolina corporation (“**Buyer**”). Seller, Mr. Parnell and Buyer are hereinafter sometimes referred to as “**Party**” or “**Parties**”.

**WHEREAS**, Seller operates wastewater collection and treatment systems in portions of Fairfield, Lexington, Orangeburg and Richland counties in South Carolina (the “**Systems**”).

**WHEREAS**, Buyer desires to purchase the Systems and all of Seller’s assets used in operating the Systems (but not including any Excluded Assets as that term is defined herein), subject to the terms set forth in this Agreement.

**WHEREAS**, Mr. Parnell has personal goodwill associated with the business of Seller and, as set forth herein, Mr. Parnell agrees to transfer all his personal goodwill associated with the business of Seller to Buyer.

**WHEREAS**, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Systems, on the terms hereafter set forth.

**NOW THEREFORE**, in consideration of [REDACTED] to be paid according to the terms set forth herein, and other good and valuable consideration paid by Buyer to Seller, the sufficiency of which Seller hereby acknowledges, and in consideration of the mutual covenants and agreements hereinafter set forth, Seller, Mr. Parnell and Buyer hereby agree as follows:

### **PART A. ACQUISITION OF THE SYSTEMS**

#### **1. TRANSFER OF ASSETS.**

Subject to the terms and conditions of this Agreement, Seller agrees to grant, bargain, sell, convey, assign and transfer to Buyer, and Buyer agrees to purchase, the following described properties (collectively, the “**Assets**”):

- (a) The Systems owned by Seller, wherever situated, together with all improvements and appurtenances, including plants, systems, facilities, pipelines, transmission mains, meters, service lines, valves, fittings, collection lines, outfall lines, lift stations, treatment facilities and other usual component parts of wastewater collection and treatment systems, and all of Seller’s other properties, real, personal, and mixed, tangible and intangible, which form a part of or pertain to, the Systems, including, but not limited to, the real estate and any structures or improvements located thereon. **Schedule 1(a)** attached hereto sets forth a true and accurate list of all owned real property (“**Real Property**”) comprising the Systems along with a true and accurate description of all fixtures, equipment and other personal property (movable or immovable), but, for the sake of clarity, excluding the items identified as “**Excluded Assets**” on **Schedule 1(a)**;

(b) All leases, leasehold interests, easements, rights-of-way, crossing agreements, privileges, and immunities used by Seller in the operation of the Systems, all as more particularly described on **Schedule 1(b)** attached hereto;

(c) To the extent transferrable, all permits, franchises and licenses, used by Seller in the operation of the Systems, all as more particularly described on **Schedule 1(c)** attached hereto;

(d) All of Seller's contracts, agreements, documents and instruments relating to the Systems, including but not limited to, all books, records, customer service agreements, reservation of capacity agreements, franchise agreements, surveys, appraisals and environmental reports, all as more particularly described on **Schedule 1(d)** attached hereto;

(e) All of Seller's financial and accounting records and information relating to the Systems, in whatever medium such financial and accounting records and information exist, all as more particularly described on **Schedule 1(e)** attached hereto (for the sake of clarity, Seller shall be allowed to retain a complete copy of such records and, additionally, in the event Seller should, within 6 years of Closing, require access to the records contemplated hereby in order comply with any government or third party required disclosure, Buyer will allow Seller, and its counsel, accountants, and other representatives full access to such records in order to fulfill any such required disclosure upon reasonable advance notice from Seller, during ordinary business hours, at Seller's cost and expense);

(f) All property, rights and privileges, whether real, personal or mixed, and whether tangible or intangible, relating to the Systems, that Seller may acquire between the date of this Agreement and the Closing of this transaction as provided herein;

(g) The right to use the name "Synergy Utilities, LP" or any portion or permutation thereof in connection with the ownership and operation of the Systems; provided that Buyer agrees to indemnify and hold Seller harmless from any suit, action, or liability which may arise from Buyer's use of the name. Seller agrees to change its name from "Synergy Utilities, LP" to another name of Seller's choosing within thirty (30) days of the Closing;

(h) The value of the Systems as a going concern, including all goodwill associated with the Systems; and

(i) All transfers of properties pursuant to this agreement shall be made to Buyer.

## 2. **Transfer of Mr. Parnell's Personal Goodwill.**

Subject to the terms and conditions of this Agreement, Mr. Parnell agrees to grant, bargain, sell, convey, assign and transfer to Buyer, and Buyer agrees to purchase, the personal goodwill of Mr. Parnell associated with the business of Seller.

### 3. CONSIDERATION FOR TRANSFER OF ASSETS.

(a) As consideration for Seller transferring, conveying and granting the Systems to Buyer, Buyer agrees to pay Seller, at the Closing, [REDACTED] (the “**System Purchase Price**”), together with the assumption of those liabilities related to the Systems which are specifically identified in this Agreement in **Schedule 3(a)** attached hereto (“**Assumed Liabilities**”). For the sake of clarity, other than the Assumed Liabilities, Seller shall retain all liabilities relating to the Systems that arose prior to the Closing Date.

(b) As consideration for Mr. Parnell conveying his personal goodwill associated with the business of Seller, Buyer agrees to pay Mr. Parnell, at the Closing, [REDACTED] (the “**Goodwill Purchase Price**”, and, collectively with the System Purchase Price, the “**Purchase Price**”).

(c) In addition to the consideration mentioned in Section 3(a), the Parties agree to the prorated allocation of income and expenses as provided for in Section 15 of this Agreement.

(d) Subject to the requirements of state and federal law, within sixty (60) days after the Closing Date, the Parties will agree upon an allocation of the System Purchase Price and amount of Assumed Liabilities among the assets in accordance with Section 1060 of the U.S. Internal Revenue Code (“Code”) and the regulations thereunder (and any similar provisions of other law, as appropriate). The Parties agree to cooperate with each other, and to furnish each other with such information as is reasonably requested by the other Party, for purposes of determining the allocation of the System Purchase Price and amount of Assumed Liabilities among the transferred assets. The Parties agree to make a consistent use of such agreed upon allocation for all tax purposes and in all tax returns, including the filing of IRS Form 8594 as required by Section 1060 of the Code.

### 4. CLOSING.

The closing of the transactions provided for herein (“**Closing**”) shall take place with each Party executing the required documents in counterparts and delivering them to the other), or at such physical location as may be agreed upon by the Parties, on the first business day after the end of the normal billing cycle following satisfaction of the Parties’ Conditions Precedent to Closing set forth in this Agreement (the “**Closing Date**”) or at such other time as may be agreed upon by the Parties.

(a) In addition to the deliveries of documents to be made at the Closing as provided herein, there shall also be delivered the certificates, consents, representations, resolutions, ordinances, agreements, franchises, deeds, leases, and other instructions referred to in this Agreement. At the Closing, Seller shall deliver to Buyer a general assignment of all rights, title and interest, and such deeds, leases, bills of sale, endorsements, assignment and other good and sufficient instruments of transfer, conveyance and assignment, as shall be necessary to vest Buyer with good and merchantable title, free and clear of all liens, claims and encumbrances except as hereinafter provided, to the Assets; provided,

however, that deeds and other conveyances of real property (with the exception of any leases for real property) shall be in the form of general warranty deeds, in a form reasonably acceptable to Buyer. At the Closing, Seller shall also deliver to Buyer the customer lists, maps and surveys of the Systems and all books, records and other data relating to the Assets. Simultaneously with such delivery by Seller, Seller shall use its best efforts to put Buyer in actual, peaceable possession and operating control of the Assets. In the event that Seller shall determine in its reasonable, good faith discretion that the cost of putting Buyer in actual, peaceable possession and operating control of the exceeds Eighty-five percent (85%) of the Purchase Price, Seller may, in the alternative, terminate this Agreement without further liability on the part of Seller.

(b) Prior to the Closing, Seller shall provide to Buyer any and all surveys, title insurance policies, environmental site assessments and geotechnical reports as are in Seller's possession, or reasonably accessible to Seller, relating to the Real Property. Buyer shall be responsible for obtaining title opinions and title insurance, at its expense, regarding Real Property. If Buyer is not satisfied with any exception to either the title, title insurance policy, or condition of the Real Property, and Seller is unwilling or unable to cure or correct the same, Buyer shall have no obligation to consummate the sale and purchase contemplated hereby.

(c) Buyer shall cause surveys of the Real Property to be performed and, prior to the Closing Date, Seller shall cure any title defects or issues identified by Buyer as a result of such surveys, unless Seller shall determine in its reasonable, good faith discretion that the cost of curing such defects exceeds Eighty-five percent (85%) of the Purchase Price of the Systems and assets of Seller as contemplated hereby, in which case Seller may terminate this Agreement without further liability on the part of Seller.

(d) Seller shall cause, at closing, for that certain office lease agreement by and between Seller and Midlands Utility, Inc., dated as of September 25, 2015, to be assigned to Buyer on terms reasonably satisfactory to Buyer (including, among other things, a provision that the term of the assigned agreement would be for six months post-closing, with an option for Buyer to extend such term for additional one-month terms).

(e) If Buyer offers full time employment to two or more employees Seller other than Mr. Parnell, then no less than two employees shall have accepted such offer of employment on terms reasonably satisfactory to Buyer.

Any provision hereof to the contrary notwithstanding, if any action or proceeding questioning the validity of the transfer and conveyance of assets under this Agreement is commenced prior to Closing, Buyer shall be entitled, at its election, to terminate and cancel this Agreement, without Buyer incurring any liability.

## 5. FURTHER ASSURANCES.

Seller shall from time to time, whether before, at, or after Closing, at Buyer's request and without further consideration, execute and deliver such other instruments of transfer, conveyance and assignment and take such other action as Buyer may reasonably require to more effectively transfer, convey and assign to and vest in Buyer, and to put Buyer in possession of the Systems, including any property to be transferred, conveyed, assigned and delivered hereunder. If there are any contracts, rights, licenses or permits, which cannot be transferred effectively without the consent of the other party or parties thereto, and such consent is unattainable, Seller will terminate such contracts if terminable, or use their best efforts to assign and convey to Buyer the benefits thereof. The Parties acknowledge that neither Mr. Parnell nor Seller are sureties of any contracts, rights, licenses or permits to be assigned as contemplated by this Agreement. Seller is not, and upon consummation of the transactions contemplated hereby, will not be, in default under any contract and, to the knowledge of Seller no other party to any contract is or will be in default thereunder.

## 6. AUTHORIZATION.

Prior to Closing, Seller will, by proper action of its general partner and officers duly adopt all necessary and appropriate resolutions and/or ordinances authorizing the transactions hereunder and take all steps necessary for their execution. Seller will further take all actions reasonably required to obtain all necessary authorizations and consents of third parties.

## 7. SELLER'S REPRESENTATIONS, WARRANTIES AND COVENANTS.

Seller hereby represents, warrants and covenants as follows:

- (a) Organization. Seller is a limited partnership duly organized and validly existing under the laws of the State of South Carolina, and has all necessary powers to own and operate the Systems.
- (b) Authority Relative to this Agreement as of the Closing. Seller's signatory to this Agreement has full power and authority to execute and deliver this Agreement and all agreements, documents and instruments referred to herein or contemplated hereby, and the sale, conveyance, assignment and transfer contemplated hereby has been duly authorized by Seller in accordance with the provisions of all applicable law; contemporaneously with executing this Agreement, Seller shall deliver to Buyer a resolution, along with true and complete copies of the minutes of the meeting or meetings of Seller at which such authorization was conferred, approving and authorizing the transactions contemplated by this Agreement and these documents shall be attached as **Schedule 7(b)**, and neither Seller entering into this Agreement, nor Seller's compliance with all the terms of this Agreement, shall violate any mortgage or indenture or bond to which Seller is a party or any other agreement or instrument by which Seller is bound. Except for the regulatory approvals referred to herein, no consent or authorization of any federal, state or local authority or entity is required for the execution and performance of this Agreement by Seller, or if such consent or authorization is required, said consent or authorization has been obtained and is evidenced by appropriate certified instruments

delivered to Buyer. Upon the execution hereof by Seller, this Agreement shall constitute the legal, valid and binding obligation of Seller, jointly and severally enforceable against Seller in accordance with its terms.

(c) Title to Property; Absence of Liens, Claims and Encumbrances; Taxes, etc. Seller has good and marketable title to its properties and assets comprising the Systems, real, personal and mixed, tangible and intangible, free and clear of all liens, claims, encumbrances and violations, except such imperfections of title and encumbrances, if any, which are identified on **Schedule 7(c)** attached hereto ("**Permitted Liens**"), and which are insubstantial in character, amount or extent, and which do not materially detract from the value of, or interfere with, the present or future use of the property subject thereto or affected thereby or otherwise materially impair Seller's ownership and operation of the Systems. Seller has good and marketable fee simple title to the Real Property. Seller has not received notice of violations of any applicable zoning regulations, ordinances or other laws, or any applicable regulations, laws, ordinances or requirements relating to the operation of the Systems and its properties, and, so far as known to Seller, there is no such violation, and all assets which are being transferred or assigned to Buyer conform with all applicable ordinances, codes, laws and regulations. Seller is either exempt from the requirement to pay taxes of any nature, whether federal, state, or local, or, if subject to the payment of taxes, has paid or caused to be paid all taxes owed by it in a timely manner. There are no audits of any tax liability of Seller pending before any federal, state or local taxing authority, and to the best knowledge of Seller, there is no factual basis for any such audit to be conducted. For purposes of this Agreement, "taxes" means any federal, state, local and foreign income, payroll, withholding, excise, sales, use, personal property, use and occupancy, business and occupation, mercantile, real estate, gross receipts, license, employment, severance, stamp, premium, windfall profits, social security (or similar unemployment), disability, transfer, registration, value added, alternative, or add-on minimum, estimated, or capital stock and franchise and other tax of any kind whatsoever, including any interest, penalty or addition thereto, whether disputed or not.

(d) Absence of Undisclosed Liabilities. Except as set forth herein and on the corresponding Schedules, Seller has, after due inquiry, no knowledge or reason to know or notice of liabilities or obligations about the Systems, secured or unsecured, whether accrued, absolute, contingent or otherwise, other than current monthly operating expenses. At the Closing, Seller will not be in violation of any laws, ordinances, rules or regulations which would materially affect the operation of the Systems. If there should prove to be undisclosed liabilities or obligations of Seller in connection with the Systems, whether known or unknown to Seller, or should Seller be in violation of any laws, ordinances, rules or regulations, either Seller or Buyer in either of their sole discretions, may terminate and cancel this Agreement; provided, however, Buyer may not terminate the Agreement until Buyer has given Seller written notice of such violation, and Seller fails to cure such violation within thirty (30) days following Buyer's notice. Seller is not in default of any contract, agreement or obligation relating to the Systems.

(e) Litigation. As of the date hereof, Seller has no knowledge of, and has received no notice of, any litigation, proceeding or governmental investigation pending, or threatened

against Seller or its properties or operations or the transactions contemplated by this Agreement arising out of, or about, the Systems, and, to Seller's knowledge, there is no basis for any such claims. Seller has not brought or filed any pending suit or proceeding about the Systems. Seller is not a party defendant to, or subject to, the provisions of any order, decree or judgment with continuing effect of any court having jurisdiction or of any governmental agency.

(f) Assets. All assets used about the Systems are in good working order, operating in accordance with their design specifications and in compliance all applicable laws, and are capable of being used without the present need for repair or replacement except in the ordinary course of business in a manner consistent with Seller's past practices. Buyer acknowledges the nature of the System and the corresponding assets and acknowledges the need for routine inspection and maintenance associated with the operation of the System and its associated assets.

(g) Required Consents. Other than the consents set forth on **Schedule 7(g)** (the "**Required Consents**"), Seller is entitled to transfer all of its interests in the Assets to Buyer in accordance with the terms of this Agreement without the need of obtaining any consent or approval from any third party.

(h) Customer Billing. Contemporaneously with the Closing, Seller will provide Buyer with all current customer billing and account information, and will assist in the transitioning of customer billing from Seller to Buyer. Buyer acknowledges that there is currently a pandemic and that because of the nature of the business of Seller, there may be certain government administrative orders that limit collection activities and remedies normally available to an operator of a wastewater business such as that of Seller and its Systems.

(i) Compliance with Applicable Environmental Law.

i. The term "Applicable Environmental Law" shall be defined as any laws, rules, regulations, ordinances, judgments, decrees, codes, orders, injunctions, notices and demand letters of any governmental authority relating to environmental conditions, industrial hygiene, pollution, or the protection of human health or the environment.

ii. Seller represents and warrants to Buyer that, to the best of its knowledge, the Real Property, the Systems, and Seller are not in violation of or subject to any existing, pending or threatened investigation or inquiry by any governmental authority or any response costs or remedial obligations under any Applicable Environmental Law and that, to the best of its knowledge, Seller has not failed to obtain any permits, licenses or similar authorizations to construct, occupy, operate or use any buildings, improvements, fixtures or equipment forming a part of the Real Property and the Systems by reason of any Applicable Environmental Law and all of such permits, licenses or similar authorizations are in full force and effect.



iii. Seller represents and warrants that it has taken all steps necessary to determine and has determined that no petroleum products, oil, hazardous substances, or solid wastes have been disposed of or otherwise released on the Real Property and the Systems;

iv. Seller agrees to notify Buyer if any governmental agency or other entity notifies Seller that the Real Property, or the Systems, may not be in compliance with any Applicable Environmental Laws;

v. Seller hereby agrees to pay any fines, charges, fees, expenses, damages, losses, liabilities or response costs arising from or pertaining to the application of any such Applicable Environmental Law while the Real Property and the Systems were in Seller's possession, and to indemnify and forever save Buyer harmless from the same. This indemnity shall survive the Closing or the termination of this Agreement.

(j) Sanctions. Seller, and all officers, directors, shareholders of Seller are, in compliance with all anti-money laundering laws related to the prevention of money laundering and terrorist financing in the jurisdictions in which Seller operates. Seller is not a person that is or is owned or controlled by persons that are: (i) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, "Sanctions"), or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions. None of the transactions contemplated by this Agreement will violate Sanctions applicable to Seller. Neither Seller, nor any officer, director, shareholder of Seller, is a senior political control figure, an immediate family member of a senior political control figure, or a close associate of a senior political control figure. Neither Seller, or any shareholder of Seller, is a shell bank.

(k) Ethical Business Practices. Neither Seller, nor any of its officers, directors, or shareholders, nor, to the knowledge of Seller, any agents or other persons acting on behalf of any of the foregoing, directly or indirectly in relation to the operation of the Systems, or the transactions contemplated by this Agreement, has:

i. violated or is in violation of applicable anti-corruption laws, or

ii. made, offered or promised to make, or authorized the payment or giving of money, or anything else of value, to any (i) executive, official, employee or person acting in an official capacity for or on behalf of a governmental body or a government-controlled entity or a public international organization (e.g., the International Monetary Fund or the World Bank), or (ii) political party or official thereof, or candidate for political office (each of the foregoing a "Government Official"), or (iii) any other person, while knowing or believing that all or some portion of the money or value will be offered, given or promised to a Government Official or other person for the purposes of obtaining or retaining business or securing any improper advantage or in other circumstances when

such offer, payment or promise would be unlawful (each a "Prohibited Payment"), or

iii. been subject to any investigation by any governmental body or body of regulators regarding any actual or alleged breach of any relevant anti-corruption law.

## **8. BUYER'S REPRESENTATIONS, WARRANTIES AND COVENANTS.**

Buyer hereby represents, warrants, and covenants as follows:

(a) Organization. Buyer is a corporation organized and existing under the laws of the State of South Carolina and is duly authorized to do business in the State of South Carolina.

(b) Authority Relative to this Agreement as of the Closing. Buyer is authorized:

i. to transact business in South Carolina and permitted by the laws of the State of South Carolina to execute and perform this Agreement;

ii. to accept the transfer and conveyance of the Systems;

iii. to pay and perform all obligations of this Agreement according to its terms; and

iv. to furnish further assurances of title, execute any written agreement or do any other act necessary to effectuate the purposes and provisions of this Agreement.

(c) Seller's Employees. Prior to the Closing, Buyer will evaluate all of Seller's full-time field operation employees for potential employment with Buyer. Employment of any such employees will be subject to each such employee passing Buyer's standard pre-employment screening and other terms and conditions as Buyer may specify in its sole discretion; provided that, to the extent Buyer extends an offer of employment to any of Seller's employees, such offer will include Buyer's standard full package of benefits for employees in comparable positions. For the sake of clarity, this Section 8(c) does not obligate Buyer to make an offer of employment to any of Seller's current employees.

## **9. ACCESS TO INFORMATION CONCERNING PROPERTIES, RECORDS, ETC.**

Throughout the period prior to the Closing, and for a reasonable period after the Closing, Seller shall give to Buyer and its counsel, accountants, engineers, and other representatives full access to all of the properties, books, contracts, commitments and records of Seller (to the extent in the possession of, or reasonably accessible to, Seller) relating to the Systems, and Seller shall furnish Buyer during such period with all such information concerning the Systems and its affairs as Buyer may reasonably request.

## **10. CONDUCT OF SELLER'S OPERATION PENDING THE CLOSING.**

Pending the Closing, except as otherwise consented to by Buyer in writing or as contemplated by the provisions of this Agreement

(a) Ordinary Course of Business. The operations of the Systems shall be conducted only in the ordinary course of business, which shall include, but not be limited to, the maintenance, in full force and effect, of any outstanding insurance policies, permits, the payment of all taxes or other obligations as they become due, collection of accounts receivable from all customers of the Systems, and satisfaction of, and continued compliance with, all of Seller's other expenses and obligations relating to the Systems. Without limiting the generality of the foregoing sentence, no commitment binding on Buyer shall be made by Seller, unless the same shall have been approved in writing, in advance, by Buyer.

(b) Limitations on Borrowing. No money shall be borrowed by Seller upon reliance of any of the property, assets, or revenues of Seller, which are to be transferred or assigned to Buyer. No mortgage or pledge of any property or assets of Seller, which are used in connection with the Systems shall be made, and all such mortgages and pledges, if any, shall be satisfied by Seller, prior to the Closing, without any cost or obligation on the part of, Buyer.

(c) Compliance with Laws. Seller shall conduct its operations in such a manner so that at the time of Closing, Seller and the Systems shall be in compliance with all provisions of existing laws, rules, and regulations.

(d) Representations True and Correct. Seller will conduct business and operations in such manner so that on Closing Date the representations, warranties, and covenants contained in this Agreement shall be true as though such representations, warranties and covenants were made on and as of the Closing Date.

(e) Asset Repairs.

[REDACTED]

**11. CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS AND CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS.**

(a) In addition to any other condition precedent set forth in this Agreement, all obligations of Buyer under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

i. Misrepresentations. Buyer or its agents or attorneys shall not have discovered, and there shall not be or have been, any material errors,

misstatements or omissions in the representations and warranties made by Seller in or pursuant to this Agreement.

ii. Representations True at Closing; Performance by Seller. All representations and warranties made by Seller in or pursuant to this Agreement shall be deemed to have been made again at and as of the time of the Closing and shall then be true and correct in all material respects. Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed and complied with by it prior to Closing. At the Closing, Seller shall deliver to Buyer a certificate, in form satisfactory to Buyer, setting forth and reaffirming said representations and warranties as of the date of the Closing.

iii. Authorization. Seller shall have complied with all provisions of applicable law and regulations with respect to the authorization of this Agreement and transactions contemplated by this Agreement and shall have taken all other necessary steps, prior to or at the time of Closing, to consummate the transactions contemplated herein, including the obtaining of all required consents, authorizations, conveyances, grants, and assignments.

iv. Regulatory Approvals. This Agreement and the transactions contemplated hereby shall have been approved, under terms acceptable to Buyer in its sole discretion, by the South Carolina Public Service Commission ("SCPSC"), and Buyer shall have received all of the necessary permits and authorizations to operate the Systems from the South Carolina Department of Health and Environmental Control ("DHEC").

v. Required Consents. Seller have obtained (or caused to have been obtained) all Required Consents.

vi. Litigation Affecting Closing. At the date of the Closing, no suit, action, or other proceeding shall be pending or threatened before any court or other governmental agency in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, and at Closing there shall be delivered to Buyer a certificate, dated the date of Closing, signed by an authorized representative of Seller to the foregoing effect, in form satisfactory to Buyer.

vii. Material Adverse Change After the Date Hereof. During the period of time from the date hereof to the Closing, there shall not have been any material adverse change in the properties or any material adverse change in the financial condition of Seller or any material adverse change in the operation or customer list of Seller, and at the Closing there shall be delivered to Buyer a certificate, dated the date of the Closing, signed by an authorized representative of Seller to the foregoing effect, in form satisfactory to Buyer.

viii. Agreements, Consents, Grants, Conveyances, and Actions of Seller. Seller shall have:

a. Taken all steps and actions, including, without limiting the generality of the foregoing, adoption of resolutions, the authorized

execution of instruments and documents, and the calling of meetings of its members and the sole manager, necessary or desirable for the execution, effectuation, and performance of this Agreement and the transactions contemplated thereby.

b. Taken all steps and perform all actions as may be required by, and necessary for compliance with Seller's authorizations to conduct business from all federal, state, and local authorities, and all applicable federal, state and local laws and administrative regulations.

c. Delivered an executed counterpart to the bill of sale, assignment and assumption, substantially in the form attached as **Exhibit B** hereto.

ix. Completion of Due Diligence. Buyer shall have completed its due diligence, and the results of such due diligence shall be satisfactory to Buyer in its sole discretion. The Buyer agrees to complete its due diligence review within 45 days following the date on which all of the approvals set forth in Section 11(a)(iv) have been received.

x. Employment Agreement. Mr. Parnell shall have executed and delivered to Buyer an employment agreement with Buyer's affiliate SouthWest Water Company, containing customary and reasonable terms and including (i) an employment term of no less than one year following the Closing, (ii) a starting salary of no less than [REDACTED] and (iii) benefits no less favorable to Mr. Parnell than the benefits given to similarly situated within SouthWest Water Company.

(b) All obligations of Seller under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

i. Misrepresentation. Seller or its agents or attorneys shall not have discovered, and there shall not be or have been, any material errors, misstatements or omissions in Buyer's representations and warranties in or pursuant to this Agreement which in the aggregate shall be material.

ii. Representations True at Closing; Performance by Buyer. All representations and warranties made by Buyer in or pursuant to this Agreement shall be deemed to have been made again at and as of the time of the Closing and shall then be true and correct in all material respects. Buyer shall have performed and complied with all agreements and conditions required by this Agreement to be performed and complied with by it prior to the Closing. At the Closing, Buyer shall deliver to Seller certificate, in form satisfactory to Seller, setting forth and reaffirming said representations and warranties as of the date of the Closing.

iii. Authorization. Buyer shall have complied with all provisions of applicable laws and regulations with respect to the authorization of this Agreement and the transactions contemplated by this Agreement and shall have taken all other necessary steps, prior to or at the time of Closing, to consummate the transactions contemplated herein.

**PART B. OWNERSHIP AND OPERATION OF THE SYSTEMS**

**12. LIABILITIES AND INDEMNIFICATION.**

(a) Except as otherwise provided herein, and to the extent allowed by law, Seller agrees that it will pay, satisfy, indemnify and hold harmless Buyer, and each shareholder, director, officer, employee, agent or representative of Buyer (collectively, “**Buyer Indemnified Parties**”) from the following at all times after the date of this Agreement:

(i) all liabilities, debts and obligations of Seller, or the Systems of any nature, whether accrued, absolute, contingent or otherwise, existing prior to or at the date of the Closing, or arising out of transactions or commitments entered into, or any state of facts existing, prior to, or at the time of, the Closing, including all fees, charges and expenses of attorneys and engineers, so long as, and to the extent that, such liabilities, debts and obligations relate to the Systems. Without limiting the generality of the foregoing, Seller will satisfy and hold harmless the Buyer Indemnified Parties from any commissions or brokers' fees incurred in connection with this Agreement; any and all fees, charges and expenses of engineers hired by Seller in connection with this Agreement; any claims or liens with respect to outstanding line charge deposits on the Systems; and, any claims for refund of any deposits or other money, including customer service deposits;(ii) any damage or deficiency resulting from, or connected with, any misrepresentations, breach of warranty, or nonfulfillment of any agreement or covenant on the part of Seller under this Agreement or from any misrepresentation in, or omission from, any certificate or other instrument or document furnished or to be furnished to Buyer hereunder, (iii) any liability, debt, or obligation arising or related to health insurance policies, employee benefit plans, retirement plans, individual retirement accounts, or 401(k) accounts related to, managed by, belonging to, or held for the benefit of, Sellers, their officers, members, shareholders, employees, or any other third parties, and (iv) all actions, suits, proceedings, investigations, demands, assessments, judgments, costs, fines, expenses, appeals, attorneys' fees, and expenses incident to any of the foregoing. Seller shall promptly pay any such item covered by this indemnity clause or shall, upon demand.

(b) No party shall have any liability to another party under this section for damages to the extent that:

- i. the indemnified Party recovers insurance proceeds covering the damages;  
or
- ii. the indemnified Party's tax liability is actually reduced as a result of a tax benefit to which the indemnified Party becomes entitled in respect of the damages.

(c) If at any time subsequent to the receipt by an indemnified Party of an indemnity payment hereunder, such indemnified Party, or any affiliate thereof, receives any recovery, settlement or other similar payment with respect to the damages for which it received such indemnity payment including insurance proceeds, or a tax benefit, (the "Recovery"), such indemnified Party shall promptly pay to the indemnifying Party an amount equal to the amount of such Recovery, less any expense incurred by such

indemnified Party (or its affiliates) in connection with such Recovery, but in no event shall any such payment exceed the amount of such indemnity payment.

(d) Seller shall have no liability or obligation under this Section for any Damages resulting from the inaccuracy or breach of any representation or warranty if such inaccuracy or breach is disclosed in writing by Seller prior to Closing.

(e) Other than in the case of fraud or willful misconduct, in no event will Seller's liability hereunder exceed Eighty-five (85%) of the System Purchase Price.

(f) Mr. Parnell shall have no liability as the seller of his personal goodwill under the provisions of this Section 12.

### **13. CANCELLATION OF EXISTING COMMITMENTS.**

Except as provided herein, and with the prior consent of Buyer, Seller hereby agrees and consents to the cancellation and termination, as of the date of the Closing, of any contract, commitment or undertaking with respect to Systems which it has made with any other person, firm, or corporation, other than this Agreement and excepting those contracts, commitments, or undertakings which by their terms are not cancelable or terminable, or which have been assumed by Buyer pursuant hereto, and each party hereto shall take such action as is necessary to effect such cancellation and termination.

### **14. TAP FEES.**

Seller shall pay over to Buyer any tap fees which may be paid to Seller by any customer of the Systems following the Closing for projects and anticipated service connections to the Systems.

### **15. PRORATIONS.**

The Parties shall allocate operating income and expenses as follows:

(a) Generally, all operating income and operating expenses of Seller shall be adjusted and allocated between the parties to reflect the principle that all such income and expenses related to the operation of the Systems on or before the Closing Date shall be for the account of Seller, and all income and expenses related to the operation of the Systems after the Closing Date shall be for the account of Buyer; *provided that*, pursuant to **Section 10(e)**, Seller shall be reimbursed for all documented expenses, previously approved by Buyer, for the repair of the RainTree WWTP UV System.

(b) The allocations and prorations to be made pursuant to this Section shall be computed in a manner consistent with the assumptions, categories, classifications, judgments and allocation, valuation and estimation methodologies set forth on **Schedule 15**. Allocations made pursuant to this Section shall be made in accordance with GAAP unless it would be inconsistent with the express provisions of this Agreement

(c) Within sixty (60) days after the Closing Date, Buyer shall prepare and deliver to Seller updated Proration Amounts, if necessary, with a brief explanation in reasonable detail consistent with **Schedule 15**. The Proration List shall become final and binding

upon the Parties thirty (30) days following delivery thereof, unless Seller gives written notice of its disagreement with the Proration List. Both Parties mutually agree to resolve any disagreement within thirty (30) days after Seller has notified Buyer of a disagreement. If Parties cannot agree to remedy, both Parties will refer the disagreement to a mutually agreeable independent accountant for resolution. Any amounts owing to Seller or Buyer based on the Proration List will be paid in a lump sum.

#### **16. POST-CLOSING COOPERATION**

Following the Closing, Buyer and Seller shall use best efforts to cooperate in an orderly transition of billing systems and processes. Among other things, Seller shall, upon Buyer's reasonable request and at Buyer's expense, issue customer bills for the up to three billing cycles following the Closing or, alternatively (at Buyer's option) transition Seller's billing system and process over to Buyer for use following the Closing.

**17. SCHEDULE UPDATES.** As promptly as possible following the Effective Date, and in no event later than April 15, 2021, Seller will deliver to Buyer updated versions of (i) the asset listing set forth on Schedule 1(a) and (ii) the financials set forth on Schedule 1(e), in each case, as of December 31, 2020. Such updated schedules shall be attached to and made a part of this Agreement.

#### **18. RETIREMENT AND BENEFIT PLANS**

Buyer will not be responsible for any funding or continued operation of any health insurance policies, employee benefit plans, retirement plans, individual retirement accounts, or 401(k) accounts related to, managed by, belonging to, or held for the benefit of, Sellers, their officers, members, shareholders, employees, or any other third parties.

#### **19. FILINGS AND AUTHORIZATIONS.**

(a) Buyer will, at its expense and as promptly as practicable, make or cause to be made all such filings and submissions under laws, rules and regulations applicable to it as may be required to consummate the terms of this Agreement, including but not limited to submission of this Agreement for approval by the SCPSC and DHEC. Any such filings and supplemental information will be in substantial compliance with the requirements of the applicable laws, rules or regulations.

(b) Buyer and Seller shall furnish to the other such necessary information and reasonable assistance as the other may request in connection with its preparation of any filing or submission to any regulatory authority having jurisdiction over the Systems (an "Authority").

(c) Seller and Buyer shall keep each other apprised of the status of any communications with, and inquiries or requests for additional information from, any Authority, and shall comply promptly with any such inquiry or request.

(d) Buyer will use its reasonable best efforts to obtain any clearance from any other Authority necessary for the consummation of the transactions contemplated in this Agreement in accordance with the terms and conditions hereof.



(e) Notwithstanding the foregoing, nothing contained in this Section will require or obligate any party: (1) to initiate, pursue or defend any litigation (or threatened litigation) to which any Authority is a party; (2) to agree or otherwise become subject to any material limitations on: (i) the right of Buyer effectively to control or operate the Systems, (ii) the right of Buyer to acquire or hold the Systems, or (iii) the right of Buyer to exercise full rights of ownership of the Systems or all or any material portion of the purchased assets; or (3) to agree or otherwise be required to sell or otherwise dispose of, hold separate (through the establishment of a trust or otherwise), or divest itself of all or any portion of the business, assets or operations of Seller or Buyer, or the Systems. The Parties agree that no representation, warranty or covenant of Buyer or Seller contained in this Agreement shall be breached or deemed breached as a result of the failure by Buyer or Seller to take any of the actions specified in the preceding sentence.

**20. MAINTENANCE OF BOOKS AND RECORDS.**

Seller and Buyer shall cooperate fully with each other after the Closing so that (subject to any limitations that are reasonably required to preserve any applicable attorney-client privilege) each party has access to the business records, contracts and other information existing at the Closing Date and relating in any manner to the matters made the subject of this Agreement or the operation of the Systems (whether in the possession of Seller or Buyer).

**21. OPERATION OF SYSTEMS.**

After the Closing Date, Buyer shall perform all services necessary for the proper and effective operation and maintenance of the Systems.

(a) Compliance with Laws. Buyer shall assume ownership of the Systems and provide operation and maintenance of the Systems in accordance with all applicable laws, rules, regulations, orders, judgments and ordinances.

(b) Licenses and Permits. Buyer shall at its cost be responsible for obtaining, and maintaining in force all permits, licenses, certifications and approvals, including all National Pollutant Discharge Elimination System ("NPDES") Permits and Underground Injection Control ("UIC") Permits as required by local, state and federal agencies and authorities for ownership and operation of the Systems. Buyer shall timely prepare and file any reports required by any licenses, permits or applicable law. The reports shall identify all maintenance activities and orders pending or completed.

**PART C. MISCELLANEOUS**

**22. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.**

Seller and Buyer agree that none of the Parties have made any representation, warranty, or covenant not set forth herein or called for hereby and that this Agreement constitutes the entire agreement between the Parties. All representations, warranties, covenants, and agreements made in or pursuant to this Agreement shall survive the Closing for the term of any applicable statute of limitations and shall survive any investigation at any time made by or on behalf of Buyer.

**23. AMENDMENT AND TERMINATION OF AGREEMENT, WAIVER.**

Seller, Mr. Parnell and Buyer, by unanimous consent, may amend or modify this Agreement in such manner as may be agreed upon, by written instrument executed by the Party to be charged, at any time after execution of this Agreement and prior to the Closing. This Agreement may be terminated by Seller or Buyer for failure of any condition precedent to the obligations of the terminating party or for any material breach of this Agreement by the other party hereto, by a written notice delivered or mailed to the other party, except that a party, hereto may, at its option, waive in writing the observance or performance of any or all the terms and conditions herein contained to which its obligations hereunder are subject. No such waiver shall operate as a waiver of any other conditions or rights, which the waiving party may have and which have not been expressly waived in writing. Further, in the event, Seller or Buyer terminates, or attempts to terminate, this Agreement, or fails or refuses to proceed to the Closing hereof, in the absence of either (a) unanimous written agreement of the Parties, (b) failure of any condition precedent, or (c) material breach of this Agreement by the other party, then, in such event, the non-breaching party shall be entitled to equitable relief, including injunctive relief or specific performance, as well as to all other remedies which may be available to such non-breaching party under this Agreement or by operation of law.

**24. EXECUTION IN COUNTERPARTS.**

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Further, the Parties agree this Amendment may be signed and/or transmitted by electronic mail of a .PDF document or electronic signature (e.g., DocuSign, ContractWorks, or similar electronic signature technology) and thereafter maintained in electronic form, and that such electronic record shall be valid and effective to bind the party so signing as a paper copy bearing such party's hand-written signature. The Parties consent and agree that the electronic signatures appearing on this Agreement, if any, shall be treated, for purpose of validity, enforceability and admissibility, the same as hand-written signatures.

**25. PARTIES IN INTEREST.**

This Agreement shall inure to the benefit of, and be binding upon, the Parties named herein and their respective successors and assigns, provided that any assignment of this Agreement must take place with Seller's prior written consent, which shall not be unreasonably withheld. Seller shall have the right to transfer its rights under the agreement with prior written notice to Buyer. Nothing in this Agreement, express or implied, confers or is intended to confer upon any other person, firm, or corporation (other than the Parties hereto or their respective successors or assigns) any rights or remedies under, or because of, this Agreement. Any successor to, or assignee of, Buyer's ownership of the Systems shall be a third-party beneficiary of the rights, remedies, duties and obligations of Buyer hereunder.

**26. CERTAIN TAXES AND EXPENSES.**

Buyer and Seller shall pay equal shares of all state and local sales, use, transfer, real property transfer, documentary stamp, recording and other similar taxes arising from and with respect to

the sale and purchase of the Systems, if any. Except as otherwise provided in this Agreement, each of the Parties hereto shall bear its respective accounting, legal and other expenses incurred in connection with the transactions contemplated by this Agreement.

**27. NON-DISCLOSURE AGREEMENT.**

The Parties agreed to abide by the terms of the Mutual Confidentiality Agreement dated August 5, 2019 attached as **Schedule 26** to this Agreement (the “**Confidentiality Agreement**”). The Parties agree to continue to abide by the terms of the Confidentiality Agreement, with Buyer being substituted for “SWWC,” from the effective date of the Confidentiality Agreement until two years after the Closing Date.

**28. NOTICES.** Any notices or other communications which a Party is required to or may provide to the other Party under this Agreement must be in writing unless otherwise agreed. Any such notice or communication must be either (1) emailed, (2) personally delivered, (3) sent by certified or registered mail, postage prepaid, return receipt requested, or (4) sent by overnight courier service providing evidence of delivery to the other party at the applicable address set forth below:

If to Seller

Synergy Utilities, LP  
257 Livingston Road  
Gaston, South Carolina 29053  
Attn: Keith G. Parnell  
Email: [sonyakhemo@aol.com](mailto:sonyakhemo@aol.com)

With a copy to:

Jeff Z. Brooker, III  
*The Brooker Law Firm, P.A.*  
PO Box 11415  
Columbia, SC 29211  
Email: [jbrooker@brookerlawfirm.com](mailto:jbrooker@brookerlawfirm.com)

If to Buyer

South Carolina Water Utilities, Inc. 728 Volare  
Drive  
Birmingham, AL 35244  
Attn: Craig Sorensen  
Email: [csorensen@swwc.com](mailto:csorensen@swwc.com)

With a copy to:

SouthWest Water Company  
12535 Reed Road  
Sugar Land, TX 77478  
Attn: Legal Department  
Email: [Legal@swwc.com](mailto:Legal@swwc.com)

**29. GOVERNING LAW.**

The Parties hereto acknowledge that this Agreement has been negotiated and entered in the State of South Carolina. The Parties expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with, the laws of the State of South Carolina.

\* \* \* \* \* *Signature Page Follows* \* \* \* \* \*


**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their duly authorized officers, all as of the date first above written.

**SELLERS:**  
**SYNERGY UTILITIES, LP**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
**KEITH PARNELL**

\_\_\_\_\_

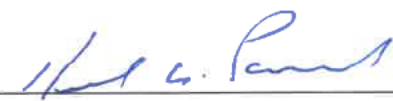
**BUYER:**  
**SOUTH CAROLINA WATER UTILITIES, INC.**

By:  \_\_\_\_\_  
Name: Craig Sorensen  
Its: President

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their duly authorized officers, all as of the date first above written.

**SELLERS:**  
**SYNERGY UTILITIES, LP**

By: Midlands Utilities, Inc.  
Its: General Partner

By:   
Name: Keith G. Parnell  
Its: President

**KEITH PARNELL**

  
\_\_\_\_\_

**BUYER:**  
**SOUTH CAROLINA WATER UTILITIES, INC.**

By: \_\_\_\_\_  
Name: Craig Sorensen  
Its: President

## Exhibit A

### Form of Bill of Sale, Assignment and Assumption

This Bill of Sale (this “**Bill of Sale**”) dated as of [\_\_\_\_], 2021 is made by **SYNERGY UTILITIES, LP**, a South Carolina limited partnership (“**Seller**”) and **SOUTH CAROLINA WATER UTILITIES, INC.**, a **South Carolina corporation** (“**Buyer**”). Capitalized terms not otherwise defined herein shall have the meanings given to them in the Asset Purchase Agreement (as defined below).

### RECITALS

WHEREAS, Seller and Buyer have executed and delivered an Asset Purchase Agreement (the “**Asset Purchase Agreement**”), dated as of [\_\_\_\_], 2021, pursuant to which Seller has agreed to sell to Buyer all of Seller’s right, title and interest in and to the Assets, in exchange for the consideration set forth therein; and

WHEREAS, pursuant to the terms of the Asset Purchase Agreement, Seller desires to transfer and assign to Buyer all of Seller’s right, title and interest in and to the Assets, and Buyer desires to acquire all of Seller’s right, title and interest in and to the Assets.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and effective as of the Closing, Seller does hereby sell, transfer, convey, assign, and deliver unto Buyer, its successors and assigns forever, all of Seller’s right, title, and interest in and to the Assets, free and clear of all liens, claims, encumbrances and violations, except Permitted Liens. Notwithstanding anything expressed herein to the contrary, the Excluded Assets are specifically excluded from the Assets and shall be retained by Seller following the Closing.

FURTHER, Seller hereby assigns all of Seller’s right, title and interest in the contracts and agreements set forth on Schedule 1(e) of the Asset Purchase Agreement (such contracts and agreements the “**Assigned Contracts**”) and Buyer hereby accepts the assignment of the Assigned Contracts and agrees to undertake all the duties, obligations and liabilities of Seller under the Assigned Contracts to the extent accruing from and after the date hereof.

This Bill of Sale and all of the provisions hereof shall be binding upon Seller and its successors and permitted assigns and shall inure to the benefit of Buyer and its successors and permitted assigns.

This Bill of Sale is being delivered pursuant to the Asset Purchase Agreement and shall be construed consistently therewith. In the event of any conflict or ambiguity between the terms of the Asset Purchase Agreement and the terms of this Bill of Sale, the terms of the Asset Purchase Agreement shall control. This Bill of Sale is not intended to, and does not in any manner, enlarge, diminish or modify the rights and obligations of the parties to the Asset Purchase Agreement, including without limitation any representations, warranties or indemnification obligations contained therein.

The parties hereto agree to execute such documents and other papers and perform such further acts as may be reasonably required to carry out the provisions hereof and the transactions contemplated hereby.

*[Remainder of Page Intentionally Blank.]*

**IN WITNESS WHEREOF**, the Parties have caused this Bill of Sale to be executed by their duly authorized officers, all as of the date first above written.

**SELLER:**  
**SYNERGY UTILITIES, LP**

**BUYER:**  
**SOUTH CAROLINA WATER UTILITIES, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Craig Sorensen  
Its: President

## Schedule 15

### Proration Methodology

This Schedule 15 sets forth certain assumptions, categories, classifications, judgments and allocation, valuation and estimation methodologies that the parties agree will be used in connection with allocations and prorations under Section 15 of the Agreement. Capitalized terms used but not defined herein shall have the meaning given such terms in the Agreement.

1. **Ad Valorem and Other Property Taxes; Assessments.** Real estate and personal property taxes and other assessments (including, without limitation, special assessments and improvement assessments) levied against the Assets shall be prorated at the Closing. Seller shall be responsible for all real property taxes and personal property taxes and other assessments for the period ending on the Closing Date and Buyer shall be responsible for all real property taxes and personal property taxes for the period beginning the day after the Closing. To the extent not known, real estate and personal property Taxes will be apportioned on the basis of Taxes assessed for the preceding year.
2. **Utility Expenses; Accounts Payable.** To the extent not paid by Seller as of the Closing, Seller will retain the obligation for payment of all trade accounts that were incurred on or prior to the Closing Date for work performed or materials delivered for the benefit of the Systems on or prior to the Closing Date. Buyer shall be responsible for all trade payables that arise or accrue for the benefit of the Systems after the Closing Date. Any amounts payable that cover both periods before and after the closing shall be prorated based upon number of days.
3. **Customer Deposits.** Buyer will assume liability for repayment of any customer deposits held in escrow by Seller as of the Closing Date and, for the sake of clarity, the expense of such Customer Deposits will be allocated to Seller.
4. **Unbilled Revenue.** Revenue earned by the Systems during any period (or portion thereof) ending on the Closing Date shall be allocated to Seller and revenue earned by the Systems after the Closing Date shall be allocated to Buyer. Seller will read meters just prior to the Closing.
5. **Prepayments.** Vendor and customer prepayments shall be allocated between Seller and Buyer at Closing. Seller will identify and schedule such prepayments to Buyer prior to the Closing, so that vendor prepayments that benefit Buyer after Closing shall be allocated to Seller and customer prepayments that relate to periods after Closing shall be allocated to Buyer.
6. **Accounts Receivable.** Seller shall retain (and Buyer shall not purchase or pay for) all accounts receivable accrued as of the Closing Date, whether billed or unbilled. It will be the responsibility of Seller to collect such accounts receivable and Buyer will have so obligation with respect to such collection.



7. **Asset Repairs.** Subject to the terms of Section 10(e) of the Agreement, Buyer shall reimburse Seller for all documented expenses that Seller incurred with Buyer's prior written approval in connection with the repair of the RainTree WWTP UV System.
8. **Inventory.** Buyer shall purchase all inventories of the System owned as of the Closing Date. Seller shall provide Buyer with a schedule of all inventory prior to the Closing.
9. **Other Expenses.** If any of the items described in Section 15 of the Agreement or this Schedule 15 that cannot be apportioned at the Closing because of the unavailability of information as to the amounts which are to be apportioned or otherwise, or are incorrectly apportioned at the Closing or subsequent thereto, such items will be estimated as of the Closing and then adjusted, as necessary, pursuant to Section 15(c) of the Agreement.